

ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

- MSAD #60

REC'D MAR 28 2008

Contact Information:

Name: Paul J. Andrade
Address: PO Box 819
No. Berwick, ME 03906

Telephone: 207-676-2234 Ext 1
email: pandrade@sad60.k12.me.us

Date Plan Submitted by SAU: 3/28/2008

The intent to submit an alternative plan has been approved by the Commissioner in the approval of the Notice of Intent?

☒ YES ☐ NO

(If NO, please explain.)

Alternative Plan Cover Sheet

(Please attach Alternative Plan as Exhibit A)

Plan Requirements				
Item	Complete	In Progress	Not Yet Started	Need Assistance ¹
Plan addresses how the SAU will reorganize administrative functions, duties and noninstructional personnel so that projected expenditures of RSU in fiscal 2008-2009 for the following areas will not have an adverse impact on the instructional program.				
system administration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
special education	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
facilities and maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan addresses how cost savings will be achieved in fiscal 2008-2009 for the above four areas.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parameters for Plan Development				
Enrollment meets requirements (2,500 except where circumstances justify an exception)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Includes at least one publicly supported high school	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consistent with policies set forth in section 1451	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No displacement of teachers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No displacement of students	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaborative Agreements				
			Yes	No
Does your plan currently include information/documentation on collaborative agreements? (not required, but encouraged)			<input checked="" type="checkbox"/>	<input type="checkbox"/>

¹ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on the next page.

Exceptions to 2,500 minimum

Actual number of students for which the SAU is fiscally responsible:

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Demographics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Economics	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Population Density	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other Unique Circumstances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Assistance Needs –

Please use this section to describe your needs for assistance and from whom you need assistance.

Law Reference/Required Element	Explanation of your assistance need	Assistance needed from whom?

March 17, 2008

Commissioner Susan Gendron
Maine Department of Education
State House Station 23
Augusta, Maine

Dear Commissioner Gendron:

Please accept this response to your letter of December 15th regarding Maine School Administrative District #60's Alternative Plan. I appreciate that you were willing to meet with us to discuss our concerns with being able to craft an acceptable plan.

M.S.A.D.#60 Alternative Plan

I. System Administration Estimated 2008-09 100% EPS Allocation: \$688,534

Our projected 2008-09 budget for system administration is \$722,818, in line with our projected EPS estimate. At \$722,818 our cost for system administration on a projected \$34 million district budget is 2%. Our system administration consists of 7.5 staff, a Superintendent, Assistant Superintendent, Business Manager, and 4.5 support staff. Both our costs and staffing level are in line with our EPS estimate and the DOE model for system administration for a district of our size. Therefore we are not proposing any reductions in this function for 2008-09.

We noted previously that we are working to reduce administrative costs whenever possible. This year we entered into an agreement with M.S.A.D.#57 to share the services of a Food Service Director, saving \$25,000 in administrative costs. We have also reduced our position of Athletic Director to a part-time position, reducing costs by \$15,000. In addition, the Adult Education Directors in MSAD #35, MSAD #60, and Kittery have been exploring the bulk purchasing of materials and conducting an analysis of programs and schedules to ensure less duplication of course offerings. Finally, we and MSAD # 35 are discussing the possibility of sharing an Adult Ed Director in the future.

II. Special Education Savings

Our proposed 2008-09 budget for Special Education is \$5,139,996, which excludes \$754,000 in Local Entitlement funds. Excluding \$700,000 in Medicaid receipts brings the total to \$4,439,996. Our projected EPS allocation with the 5% reduction (based on maintenance of effort of 2006-07 costs of \$4,102,146) is \$4,013,949. This places us \$426,047 above our EPS guideline.

It is our contention that these guidelines do not accurately reflect the increasing severity of many students now in our public schools. Since 2001 the number of students in our district diagnosed with some form of Autism or Asberger's Syndrome has increased nearly three fold from 11 to 29. Many of these students require 1 to 1 support from an educational technician who further must be specifically trained to appropriately support each child. In order to contain costs we have worked diligently to develop in-house programs to serve our most challenging students. We have 3 in house autism programs (one in each town), 2 day treatment programs, a middle school Alternative program, and a high school Alternative program. We have only 12 students in out of district placements, unusual for a unit of our size. Further we have also trained many of our professional staff to be trainers in therapeutic restraint and other types of behavioral techniques so that we can provide their colleagues with excellent skills at a more reasonable cost. We have also hired OTs, PTs, and Speech Therapists as in-district staff to eliminate the need for costly contracted service providers. This has saved us a great deal of money over the years. Most of these therapists travel among our eight buildings in our district to best serve our students' needs and maintain cost savings. At this time, we feel that we can propose the elimination of a part time psychological evaluator for a reduction of \$27,000. We feel that our current staff can provide the necessary evaluative services due to the implementation of new programs.

What is changing the face of special education and regular education in our district is the newly mandated Response to Intervention initiative that is part of the reauthorization of IDEA. Response to Intervention (RTI) is a supportive initiative for students with the underlying belief that ALL students can learn. In SAD 60, we have long embraced this philosophy and have worked over the past two years to incorporate the RTI structure into all of our schools at varying degrees. It has become apparent to us with the initial implementation of RTI in SAD 60 that many of our special education staff are spending a portion of their time in supporting non-disabled children as they work with students in inclusionary classrooms or Learning Centers. A time study indicated that our high school and middle school resource teachers and educational technicians spend 20% of their time with non-disabled students. Our psychological service provider staff also spend some 20% of their time in RTI related activities such as administering the DIBELS, serving on child study teams, etc. Due to these efforts with inclusion and RTI we have reduced the number of identified special education students from 681 in December 2003 to a current 576 and reduced the percentage of special education students from 21% to a current 18.4%. We anticipate further reductions in the number of identified students and special education costs as we move to a full K-12 RTI system. As part of our RTI strategy we will be implementing a 3 Tier Reading Program in 2008-09 and will be shifting some special education positions (1 resource room teacher and 10 ed technicians) to the role of Interventionist within this 3 Tier approach. For these reasons we believe it is appropriate to shift a number of positions and some 20% of the cost of other special education staff to regular education to reflect this trend.

It is important to note that with this shift of services to the regular education realm, we are NOT reducing costs overall, but we ARE ensuring that all students have the necessary supports to succeed in school and therefore it must be reflected in our overall district budget. At our meeting with you and Mr. Rier on December 27th, we discussed becoming a pilot site to work with the state on the successful implementation and appropriate funding of an RTI program. We look forward to following through on that and having an open dialogue regarding the impact of RTI on both student success as well as the district's regular education budget.

In addition the Special Education Directors from MSAD # 60, MSAD#35, and Kittery have been meeting to see where we can regionalize some services and staffing to realize further efficiencies in this area.

1. Cut part time evaluator	saves 27,000
2. Reallocate 10 classroom ed techs to regular instruction	saves 191,000
3. Reallocate 20% HS resource teachers to regular instruction	saves 51,000
4. Reallocate 20% MS resource teachers to regular instruction	saves 25,000
5. Reallocate 20% HS resource ed techs to regular instruction	saves 29,400
6. Reallocate 20% MS resource ed techs to regular instruction	saves 11,800
7. Reallocate one elementary resource teacher to regular instruction	saves 53,000
8. Reallocate 20% psychological staff to regular instruction	saves 42,930
9. Reallocate 20% of staff health insurance for these positions	saves 46,000

Total Savings:	\$477,130
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III. Transportation

Est. 2008-09 100%EPS Allocation: \$1,508,327

Our proposed Transportation budget for 2008-09 is \$2,210,408. However this total includes an annual payment of \$105,526 on the mortgage for our bus repair facility and \$176,589 in payments for the lease/purchase of new and existing buses. Excluding these costs for EPS purposes gives us a total of \$1,928,293, still above our EPS estimate of \$1,508,327.

M.S.A.D.#60 is a large, rural school district. Our buses traveled 844,186 miles last year. We believe that the EPS calculation for transportation is not an accurate depiction of costs in large, rural districts. In the past few years we have worked aggressively to contain costs in this area. We do our own bus repairs and already utilize Versatrans routing software to create efficient bus routes. In the past 3 years we have eliminated 3 bus runs through this program. We have already begun creating more group stops and cutting back on activity bus runs. The district no longer funds field trips which are paid solely through PTO funding and fees to parents. We no longer go down private or non-paved roads. We also collaborate with MSAD#35 in sharing special education bus runs to out of district placements whenever scheduling permits. We operate a fleet of 40 buses and 7 vans with a Transportation Coordinator, part time secretary, and 3 mechanics.

Our proposed budget includes the cost reductions previously articulated in our Alternative Plan. This year we will make the last \$54,000 annual payment on the 5-year lease/purchase of buses purchased in 2003. Purchasing only 2 full size buses in 08-09 at an annual payment of \$24,000 will save \$30,000. It should be noted that we will have 3 10-year old buses (1999s) that we'd like to replace and that with a fleet of 40 buses we need to purchase 4 buses per year to keep our buses at no more than 10 years old. Our fleet will inevitably get significantly older if we continue on a path of purchasing only 2 buses per year. In September of 2001, in the first year of my Superintendency, I faced a very difficult decision when many of our buses were pulled off the road by the state police due to safety concerns from age and a lack of upkeep over the years. I had to drive to Augusta twice to plead my case so that students could be transported to and from school. This was due to the fact that our fleet had not been maintained properly and new buses weren't purchased regularly enough to keep the fleet at 10 years of age or less. I, in no way, want to find myself in that same situation and I believe that if we defray the costs for another year or two, or even three, we will be setting ourselves up for a revisiting of that situation.

We will be installing a waste oil heater in our bus garage which we believe will save \$3,000 in heating costs for the garage. We have analyzed our placement of bus stops on our routes and believe that making even fewer individual stops, going down fewer side streets, and making more group stops will save approximately \$16,000 in fuel and salary costs. We will also be eliminating a 4:30 activity run which serves our elementary schools for a savings of \$13,000. Finally we propose shifting \$50,000 in costs for transporting athletic teams to the cost center for extra-curricular where it properly belongs according to the new chart of accounts. Our business manager reviewed this shift with Joanne Allen.

1. Paid up \$54,000 in leases, buy only 2 new buses	saves 30,000
2. Move \$50,000 athletic trips to extra-curricular function	saves 50,000
3. Install Waste Oil heater in bus garage	saves 3,000
4. Consolidate individual stops into more group stops.	saves 16,000
5. Eliminate elementary activity bus run	saves 13,000
Total Savings:	\$112,000

***Explanation of Vans:** Our seven vans are 8 passenger vans, which are legal according to Harvey Boatman. Vans under 10 passengers are exempt from the school bus standards. We had embarked on a program of replacing the vans with mini-buses, one per year. We are now putting this program on hold given the need to reduce costs in this area and the fact that replacing full size buses takes priority.

We believe that we cannot cut this budget further without jeopardizing student safety. This is a bare bones budget. We have consolidated and eliminated bus runs, eliminated individual bus stops, and eliminated field trips. We are purchasing fewer buses than a prudent replacement schedule would indicate. We have a 10,000-gallon fuel tank to purchase fuel in bulk and we purchase fuel in cooperation with the Town of North Berwick. A significant cost driver is an estimated 40% increase in fuel costs at \$3.30 per gallon representing a \$105,000 increase. We're also anticipating an additional \$.04 per gallon premium to buy Biodiesel, which we feel is environmentally appropriate, and a model for our students. Transporting students to our extensive summer programs costs \$50,000, which is beyond the EPS formula. We are exploring the possibility of sharing a Transportation Director with neighboring districts.

IV Operations & Maintenance Est. 2008-09 100% EPS Allocation: \$3,367,762

Our projected budget for 2008-09 in Operations & Maintenance is \$3,393,138, very close to our EPS estimate of \$3,367,762. We manage 8 buildings encompassing over 600,000 square feet with a custodial staff of 35, 2.5 maintenance personnel, and a Facility Manager. We have been actively involved in efforts to decrease utility costs through a performance contract with Honeywell including lighting retrofits, occupancy sensors, and increased building insulation. These renovations have reduced our electricity usage by an average of 360,000 kilowatt hours annually and our use of heating oil by an average of 66,000 gallons annually over the base year of 2003. In the past two years we have closed 2 old school buildings and turned them over to their respective towns. We have also increased our building use fees for community use of our buildings. Our Facilities Director has been meeting with his colleagues from MSAD # 35 and Kittery to determine if savings can be realized through bulk purchasing of supplies, equipment, and materials as well as the sharing of personnel or contracted services.

This projected budget reflects the cost reductions as described in our Alternative Plan submission. We propose a significant reduction in capital improvements for a saving of \$30,000 and a change in our contractor for elevator maintenance at a saving of \$5,000. We will be adopting a new summer maintenance plan that includes the complete shut down of buildings for a portion of the summer for a savings of \$18,000. Finally we plan to move a \$70,000 expense for the lease/purchase of office copiers from this cost center to Staff/Student Support where it properly belongs according to the new chart of accounts. This change was discussed and approved by Joanne Allen in an email with our business manager.

1. Cut capital improvements to 40,000	save 30,000
2. Change elevator contract	saves 5,000
3. Move copier lease/purchase to Student/Staff Support	saves 70,000
4. Shut down buildings in summer, rotate custodial teams	Saves 18,000
Total:	\$123,000 in savings

We feel that to cut our Operations and Maintenance budget any further would significantly impact our ability to properly maintain our buildings. At present all our buildings are in good shape and we would hate to see them deteriorate. While 5 of our buildings were built since 1980, we still operate 3 buildings that are 40 to 60 years old. We have been able to upgrade the HVAC and lighting systems in these buildings with the help of funds from the Revolving Renovation Fund. A significant cost driver in this budget is a projected increase of 30% in heating oil based on a projection of \$3.00 per gallon. This has added \$85,000 to our costs for heat over this year. Without this significant increase in heating costs we would be within our EPS estimate.

Statement of no adverse impact on instructional program:

Since M.S.A.D.#60 is a high receiver of state education aid, any reduction in our GPA will constrain our budget options, as significant local tax increases are not an option in the current economic environment. Our Board of Directors constantly has to set priorities as we work to restructure the district to better serve our students and to have all students meet high standards.

However I can assure you that all M.S.A.D.#60 students will continue to have access to the full range of programs and services that they currently enjoy. All students will continue to have access to Guidance, Health, and Library services. All students will continue to have access to Music, Art, Physical Education, and Computer classes. All students who require support services from Title I or special education will receive them.